

## Initial Recommendation Directions for the Morton Grove Industrial Areas Plan

The Village of Morton Grove has decided to create an Industrial Areas Plan which will define the vision of the industrial areas and the steps needed to meet that vision. On February 18, the Morton Grove Plan Commission/Zoning Board of Appeals who is serving as the Industrial Areas Plan Steering Committee, reviewed and discussed the findings of the Existing Conditions Report. From these discussions, issues and opportunities for the future of the industrial areas emerged that provide direction for formulating recommendations. The purpose of this document is to communicate these issues and opportunities for review, guidance, and general concurrence by the Village of Morton Grove.

This document outlines the major sections proposed within the Morton Grove Industrial Areas Plan and potential key recommendations within each section for discussion purposes only.

### Potential recommendation directions

CMAP proposes that the plan recommendations be framed within four topic areas:

- Land Use
- Industrial Development and Redevelopment
- Industrial Business Attraction, Retention, and Growth
- Supporting Infrastructure, Development, and Uses

The following text highlights some of the key strategies within each of the four topic areas.

### Land Use

- **Maintain the primary uses within the industrial areas including manufacturing, wholesale trade, and other industrial uses.** Some stakeholders discussed converting the space within Morton Grove's industrial areas into indoor recreational space. As summarized in the Existing Conditions Report, it is advised that the community preserve its manufacturing and wholesale industry mix in the industrial areas. Manufacturing and wholesale businesses in these areas are critical employers and key economic drivers for the community, submarket, and region. Furthermore, workforce development programs and services are currently in place and are well utilized by manufacturing businesses.

The industrial space within the community is generally in fair to good condition and is affordable and provides an important niche in the market and has a low vacancy rate. Outlook for the manufacturing industry and the near north industrial submarket is positive.

- **Allow limited conversion of industrial uses.** Conversion of industrial uses into indoor recreational and retail space within the industrial areas is advised only on a limited



basis. The market may not be able to support significantly more recreational and retail businesses. Furthermore, such tenants carry their own complications, as they normally require new spaces and might be viewed as a high and expensive risk as they are not as financially sound as industrial businesses.

### **Development and Redevelopment**

- **Encourage the utilization of the Cook County Class 6B designation.** Cook County Class 6B designation is a real estate tax incentive to encourage industrial growth. Under this type of classification, qualifying industrial properties that undergo development, redevelopment, or rehabilitation would be eligible to be assessed at 10% of market value for 10 years, starting on the date of completed construction, rehabilitation, or re-occupancy. The properties would then be assessed at 15% of market value in the 11<sup>th</sup> year, 20% in the 12<sup>th</sup> year, and then in the 13<sup>th</sup> year begin to be assessed traditionally at 25% of market value. The assessment reduction over the 12 year period results in tax savings, as normally the property would be assessed at 25% of market value.

The Class 6B classification has not been utilized in Morton Grove but has been used in other areas of the near north submarket including Niles and Evanston. This type of incentive could help improve the marketability industrial area buildings while remaining affordable and attractive to tenants that would otherwise seek locations outside of Cook County due to lower taxes.

- **“Green” the industrial areas.** The Village should encourage property owners and future developers to include “green” building technologies, processes, and practices. The addition of these technologies into older buildings (as well as new buildings) will improve energy efficiency, a highly-valued asset. By reducing energy consumption, energy-efficient buildings lessen environmental impacts and reduce energy consumption, thereby reducing energy cost to the owner. Ideas to green the industrial buildings would include audits, retrofits, and appliance replacements.

In addition to energy-efficiency, the Village should encourage industrial businesses to assess their waste, waste water, and water usage and devising solutions to mitigate any negative impacts.

### **Business Attraction, Retention, and Growth**

- **Create stronger partnerships with industrial businesses.** Businesses interviewed for the Existing Conditions Report indicated good relations with the Village. However many businesses, especially larger businesses, lacked any relations with the Village. Communication and relationships with these and all industrial businesses can help



identify develop problems, solutions, and ultimately help retain and support these businesses.

- **Develop a manufacturing business consortium with other industrial businesses and communities within the near north submarket.** The Village should encourage the development of a business consortium which could provide leadership and guidance within the submarket. On a macro-level, the consortium can gauge submarket's position within the region and the region's manufacturing and freight industry clusters. Furthermore, the consortium can develop long-term strategies to ensure the area's longevity and develop relationships with other submarkets throughout the region.

The consortium can also work on a micro-scale. Submarket industrial analyses indicate that submarket industrial businesses are spread among several industry sectors. However, a consortium can develop initiatives to provide industry-specific synergy between companies within the submarket. As properties vacate, new industrial firms can be brought in that complement the needs of some of the existing companies.

In addition to industry-specific synergy, the consortium can also uncover shared processes, technologies, and challenges among the diverse businesses in the submarket. For example an industrial business producing fabricated metals and another business producing paper have varied in outputs, but are likely both to have comparable research and development (R&D) stages in their processes and could potentially benefit from shared R&D resources. A consortium can serve as a resource guide for businesses for various operational, workforce, business, and financial needs. This type of cross-industry application is economical and beneficial.

- **Maintain and market workforce development.** The robust and accessible workforce development programs available to Morton Grove's industrial areas and the submarket are a great asset. These programs can help meet the ever-evolving skills and training needed by today's manufacturing businesses. The Village should collaborate with the Chamber of Commerce, real estate professionals, and the consortium described above to maintain, promote, and market such programs to existing and potential businesses.
- **Support new industrial businesses.** Morton Grove's older and affordable properties can attract start-up industrial businesses. The Village's Economic and Development staff, the Chamber of Commerce, and or the consortium described above can provide smaller, local incentives as well as provide resources to business development services and financing available throughout the region.



## Supporting Infrastructure, Development, and Uses

- **Improve transit-usage.** Data suggests that 7,991 employees are coming to work in Morton Grove and that 45% of these employees work in one of the two industrial areas. It appears very few workers utilize public transit to commute to work. One reason might be due to the lack of connections between the Metra stations and the individual businesses themselves. Transportation partners such as Pace, can explore bus service options heading to and from the Morton Grove Metra Station and the southern industrial area, and other transportation options.
- **Continue to encourage development transit-oriented development (TOD) near Metra Station.** Commercial development should continue to be encouraged around the Morton Grove Metra Station area. This type of development would be supported by high-density residential buildings and the employees that work within the southern industrial area. TOD could offer employees convenient places to eat and shop. This type of development also has transportation benefits as it would encourage transit usage and also mitigate the need for workers to rely solely upon their private automobiles.
- **Continue efforts with the Forest Preserve District of Cook County to improve utility and accessibility of open space.** Forest Preserve open space is directly adjacent to the southern industrial area. This open space can provide industrial workers a place to recreate and relax. The preserve also represents a transportation connection via pedestrian and bicycle paths from the Morton Grove Metra Train Station to the southern industrial area. The Village should continue efforts to work with the Forest Preserve District to improve access points, trails, and directional signage.

